

WHAT IS CLAIMED IS:

1. A computer-implemented method for estimating the feasibility of outsourcing information technology services, comprising:

- 5 extracting, based on one or more selection criteria, at least a portion of a first set of empirical data associated with one or more software applications in a historical portfolio, the historical portfolio containing software applications utilized by a client;
- aggregating at least a portion of the extracted data;
- creating a statistical model of the historical portfolio based on the first set of data;
- 10 generating a simulated portfolio based at least in part on the statistical model;
- generating a cost estimate associated with outsourcing technology services based at least in part on the simulated portfolio and a second set of data, at least a portion of the second set of data containing empirical data, the empirical data containing data and assumptions relating to the historical portfolio; and
- 15 determining the feasibility of outsourcing technology services based at least in part on the cost estimate.

2. The method of Claim 1, wherein extracting at least a portion of the first set of data further comprises:

- 20 grouping the extracted data based on the one or more selection criteria;
- removing, from the extracted group, the extracted data concurrently used by more than one project; and
- extracting data associated with production support projects based on the one or more selection criteria.

25

3. The method of Claim 1, further comprising:

- comprising randomly selecting at least a portion of the aggregated data to create a validation dataset;
- randomly selecting at least a portion of the validation dataset; and
- 30 aggregating the randomly selected portion of the validation dataset to create a validation portfolio, the validation portfolio being used to validate the statistical model of the historical portfolio.

4. The method of Claim 1, further comprising:
creating a training dataset from at least a portion of the aggregated data, the
training dataset used to create the statistical model of the historical portfolio;
5 randomly selecting at least a portion of the training dataset to create a training
portfolio; and
training the statistical model using the training portfolio.
5. The method of Claim 1, further comprising analyzing the aggregated
10 data, wherein analyzing comprises applying descriptive statistics to correlate the
aggregated data.
6. The method of Claim 1, further comprising retrieving application
selective offering (ASO) information, the ASO information containing information
15 regarding the services provided by a provider relating to the management and
maintenance of a software applications portfolio, the ASO information and the
statistical model being used to generate the simulated portfolio.
7. The method of Claim 1, wherein the second set of data comprises data
20 and assumptions related to a client, billing procedures, and cost rules related to a
provider, and cost savings information related to the client.
8. The method of Claim 7, wherein the cost savings information contains
default industry cost savings goals.
25
9. The method of Claim 1, wherein generating a cost estimate comprises
generating a provider cost build-up estimate associated with the simulated portfolio.
10. The method of Claim 1, wherein generating a cost estimate comprises
30 generating a client price estimate associated with the simulated portfolio.

11. The method of Claim 1, wherein determining the feasibility of outsourcing information technology services comprises:

calculating a solution feasibility index associated with the cost estimate; and
comparing the index to one or more feasibility ranges.

12. Software for estimating the feasibility of outsourcing information technology services, the software embodied in a computer readable medium and comprising computer code such that when executed is operable to:

- 5 extract, based on one or more selection criteria, at least a portion of a first set of empirical data associated with one or more software applications in a historical portfolio, the historical portfolio containing software applications utilized by a client;
- aggregate at least a portion of the extracted data;
- create a statistical model of the historical portfolio based on the first set of data;
- 10 generate a simulated portfolio based at least in part on the statistical model;
- generate a cost estimate associated with outsourcing technology services based at least in part on the simulated portfolio and a second set of data, at least a portion of the second set of data containing empirical data, the empirical data containing data and assumptions relating to the historical portfolio; and
- 15 determine the feasibility of outsourcing technology services based at least in part on the cost estimate.

13. The software of Claim 12, wherein the code is further operable to:
- group the extracted data based on the one or more selection criteria;
- 20 remove, from the extracted group, the extracted data concurrently used by more than one project; and
- extract data associated with production support projects based on the one or more selection criteria.

- 25 14. The software of Claim 12, wherein the code is further operable to:
- randomly select at least a portion of the aggregated data to create a validation dataset;
- randomly select at least a portion of the validation dataset; and
- aggregate the randomly selected portion of the validation dataset to create a
- 30 validation portfolio, the validation portfolio being used to validate the statistical model of the historical portfolio.

15. The software of Claim 12, wherein the code is further operable to:
create a training dataset from at least a portion of the aggregated data, the
training dataset used to create the statistical model of the historical portfolio;
randomly select at least a portion of the training dataset to create a training
5 portfolio; and
train the statistical model using the training portfolio.

16. The software of Claim 12, wherein the code is further operable to
analyze the aggregated data by applying descriptive statistics to correlate the
10 aggregated data.

17. The software of Claim 12, wherein the code is further operable to
retrieve application selective offering (ASO) information, the ASO information
containing information regarding the services provided by a provider relating to the
15 management and maintenance of a software applications portfolio, the ASO
information and the statistical model being used to generate the simulated portfolio.

18. The software of Claim 12, wherein the second set of data comprises
data and assumptions related to a client, billing procedures, and cost rules related to a
20 provider, and cost savings information related to the client.

19. The software of Claim 18, wherein the cost savings information
contains default industry cost savings goals.

20. The software of Claim 12, wherein the code is further operable to
25 generate a cost estimate by generating a provider cost build-up estimate associated
with the simulated portfolio.

21. The software of Claim 12, wherein the code is further operable to
30 generate a cost estimate by generating a client price estimate associated with the
simulated portfolio.

22. The software of Claim 12, wherein the code is further operable to determine the feasibility of outsourcing technology services by:
calculating a feasibility solution index associated with the cost estimate; and
comparing the index to provider-assigned feasibility ranges.